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## A STUDY ON AWARENESS TOWARDS INSURANCE AND ITS BENEFITS AMONG THE PUBLIC DURING COVID 19

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### **Abstract:**

*Today's world insists everyone be aware of their health. The health issues may arise from accidents, pollutant environmental, physical parts inabilities, and viruses. The novel Covid paves its part on people to understand the importance of wearing masks, gloves and keep social distancing, also start to knowing the expenditure tackling measures. Insurance is one of the best measures to sort out medical expenditure. The aim of the researchers is to understand people's awareness of insurance plans during this covid pandemic. The information was collected on primary knowledge through google form and picked up secondary data from the websites. The research paper presents the results of a survey of 120 sample respondents in Coimbatore by adopting the convenience sampling method. The researcher had used the ranking and weighted average method for analyzing data collected about the awareness of insurance schemes. From the analysis, the researchers found that people start valuing the importance of insurance policies and their benefits.*

**Keywords:** Awareness, Health Insurance, Policies,

### **INTRODUCTION:**

The Covid pandemic makes everyone to be aware of their health care. It is inevitable to know about the benefits of personal and general insurance. Health Insurance is a part of "Personal Insurance and General Insurance". People with a view to cope with their medical expenses, start to realize the role of insurance. There are lots of companies that have been offering cheap Mediclaim policies in India. The citizens of India start to value and covers their expenditure by Insurance policies. India only about 2 percent of total health expenditure is funded by public/social health insurance while 18 percent is funded by government budget. The authors focused upon the awareness of health insurance

and general insurance among people and provide suggestions for health insurance companies to deal with their limitations and to grab the opportunities more in the market.

#### **NEED FOR THE STUDY:**

Nowadays the awareness of health Insurance policy is highly essential and the knowledge of health insurance claim settlement procedure. Accident rates, health issues are high. The expenses are too high and very difficult to manage with their income. People are valuing savings or investments to tackle their medical financial needs by doing part from their income. Hence an attempt to identify the public people's awareness towards the schemes offered by the insurance companies regarding both life insurance and general insurance.

#### **LITERATURE REVIEW:**

- (*FINANCIAL EDUCATION, COMMUNITY PARTICIPATION AND PURCHASE OF HEALTH INSURANCE A REPORT ON SUBMITTED TO BY DR MALINI JAYASURYA SMT V H D CENTRAL INSTITUTE OF HOME SCIENCE, 2015*), concluded that lack of information, insufficient advertisement and lack of awareness were the main barriers in the optimum utilization of health insurance facilities. Proper information dissemination and aware programmes can increase person's willingness to purchase a health insurance protection.
- (Braun et al., 2016), presented the comprehensive simulation results for a realistic competitive setting that allows us to assess product switching as well as market expansion effects. They stated that if a policy comprises their favored specifications, customers accept substantial markups in the monthly premium. Furthermore, preferences vary considerably across the sample. And they illustrated that utility-driven product optimization is well-suited to gain market shares, avoid competitive price pressure, and access additional profit potential. Finally, concluded that estimated demand sensitivities and a set of cost assumptions, it is shown that insurers require an in-depth understanding of preferences to identify the profit-maximizing price.
- (Banthin et al., 2020), found that the results based on evidence of the relationship between changes in unemployment and employer-based coverage from previous recessions and recoveries. And these workers are less likely to have employer-based coverage through their jobs and more likely to be enrolled in Medicaid before the pandemic than other workers. And discussed the key assumptions and the development of estimates in the Appendix.
- (Khandelwal, 2021), explored the attributes that influence consumers on purchasing a term life insurance plan in India and the sample is collected from the respondents who identified themselves as insurance decision-makers by taking term insurance. And concluded that in the Term insurance plan the most important attribute are Brand and payment options and the least one are

found to be sale channel, Term assured, and Rider benefits.

### OBJECTIVES OF THESTUDY

- To study the awareness towards people on insurance during COVID- 19.
- To study about the schemes offered by insurance companies.

### RESEARCH DESIGN:

The research design is the conceptual structure and after identifying the research problem and determining specific information required to solve the problem the researcher selected the sample unit based on customer having life insurance and general insurance policies. The sample size is 120 respondents certified to its nature of data collection. Data collection is based on the primary data. Convenience Sampling method used for this study.

### DATA ANALYSIS AND INTERPRETATION:

#### DEMOGRAPHIC PROFILE:

The information related to the Demographic profile of the respondent are depicted under the table below

**Table: 1 Respondents Demographic profile**

S. No	Variable	Category	Frequencies	Percentage (%)
1	Age	Below 25 Yrs	8	7%
		26 – 35 Yrs	51	42%
		36 – 45 Yrs	38	32%
		Above 45 Yrs	33	19%
2	Gender	Male	62	51.67
		Female	58	48.33
3	Education	SSLC/HSC	12	10
		Under Graduation	74	62
		Post-Graduation	22	18
		8 <sup>th</sup> Std	12	10
4	Occupational Status	Private Employee	76	63
		Business	7	6
		Government Employee	26	22
		Professional	11	9
5	Marital Status	Unmarried	98	82%

		Married	22	18%
6	No. of Family Members	2 members	51	42
		3-4 members	61	51
		5-6 members	5	4
		Above 6 members	3	3
7	Earning Members	One	29	24
		Two	86	72
		Above 2	2	2
8	Annual Income	Below 2,00,000	3	2
		2,00,000-5,00,000	27	23
		5,00,00-15,00,000	69	58
		15,00,000- 25,00,000	17	14
		Above 25,00,000	4	3
9	Percentage of Salary Saved	Below 15%	43	36
		15%-20%	62	52
		20%-25%	11	9
		Above 25%	4	3

Source: Primary Data

#### INTERPRETATION:

The simple percentage analysis converts the raw data into a meaningful way helping better understanding. Majority of the respondents are in the age group belong to the age group of 26-35years, and most of the respondents are Male. The respondents (62%) have completed their under-graduation education which has led them to the understanding importance of taking insurance policy. Most of the respondents (58%) have their annual income of Rs. 5,00,000 – 15,00,000 with earning members of two. The respondents (52%) are saved 15%- 20% of salary.

#### RESPONDENTS PREFERENCE ON INSURANCE PLAN:

The information related to the respondent's preference on insurance plan are depicted under the table below

**Table: 2 Respondents preference on Insurance plan**

S. No	Variable	Category	Frequencies	Percentage (%)
1	Respondents Preference on type of Insurance	Govt. Health insurance company	116	97

	company	Private Health Insurance company	4	3
2	Name of the company in which the policy is taken	LIC	92	77
		BAJAJ ALLIANZ	4	3
		RELIANCE LIFE	6	5
		ICICI	11	9
		HDFC STANDARD	7	6
3	Type of Scheme taken	Life protection plan	49	41
		Educational plan	11	9
		Retirement plan	6	5
		Health plan	47	39
		Money growth plan	7	6
4	Awareness about Insurance policies	Highly well aware	13	11.5
		Well aware	55	46.2
		Neutral	35	28.8
		Least aware	10	7.7
		Not aware	7	5.8

Source: Primary Data

#### INTERPRETATION:

From the above table, Majority of the respondents (97%) preferred Government health insurance company, and most of the respondents (77%) choice is LIC. The respondent's preference towards insurance scheme are life protection plan (41%) and health plan (39%). The respondents (46.2%) awareness towards insurance policies are well aware.

#### RANKING ON PREFERENCE OF INSURANCE PLAN

Table3 - Which Insurance plans do you prefer

S. No	Plan	Rank
1	Team Insurance Plan	3
2	Unit Liked Insurance Plan	6
3	Endowment Plan	4
4	Money Back Plan	2
5	Whole Life Insurance Plan	1
6	Child Plan	7

7	Retirement Plan	5
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Source: Primary Data

## INTERPRETATION

From the above table it was observed that Whole life insurance plan is in the First place, Money back plan in the Second place, team insurance plan in the Third-place endowment plan in the fourth-place retirement plan in the fifth-place unit linked insurance plan in the sixth place and child plan in the seventh place. It is inferred that the Whole life insurance plan in the First place.

## WEIGHTED AVERAGEMETHOD

### LEVEL OF IMPORTANCE TOWARDS THE FOLLOWING FACTORS

Table 5 - Level of importance towards fields

S. No.	Level of Importance	Weighted Average
1	Safety	40.3
2	Capital Growth	25.4
3	Liquidity	6.7
4	Return	8.2
5	Tax Benefits	16
6	Company Profile & Brand Name	3.4

Source: Primary Data

## INTERPRETATION:

From the above table it was observed that safety is highly important with 40.3% Capital growth is important with 25.4% tax benefits with 16% return with 8.2% Liquidity with 6.7% and the least important is company profile and brand name with 3.4%. It is inferred that the Safety plan is the most important among all others

## SUGGESTIONS:

The insurance company must encourage the intermediaries about the policy according to individual requirements. The insurance products with new strategies and policies with less expensive and give more coverage. The company should conduct effective research for making more and more awareness about its products among potential customers through innovative promotional methods which helps the public to understand the benefits of insurance plans.

## CONCLUSION:

It is concluded that respondents are aware about health insurance but not so aware of its benefits so they denied to take health insurance or med claim policies. People have trust more on public general insurance companies rather than private general insurance companies to avail the

health insurance policies. Respondents were somehow well aware regarding health insurance policies terms and conditions and according to them health insurance companies are not transparent. Thus, health insurance still has wider scope in India but is supposed to be easy to understand and accessible.

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